

JS-6

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA, SOUTHERN DIVISION

ABC SERVICES GROUP, INC., *et al.*,

Plaintiff,

v.

HEALTH NET OF CALIFORNIA,
INC., *et al.*,

Defendants.

Lead Case: 8:19-cv-00243-DOC-DFM

Hon. David O. Carter

FINAL JUDGMENT

AND CONSOLIDATED ACTIONS

LEAD CASE CONSOLIDATED WITH:

- 1 **1.** 8:19-cv-00531-DOC-DFM (*ABC Services Group, Inc. v. United Healthcare*
2 *Services, Inc., et al.*)
- 3 **2.** 8:19-cv-00803-DOC-DFM (*ABC Services Group, Inc. v. USABLE Mutual*
4 *Insurance Company, et al.*)
- 5 **3.** 8:19-cv-00776-DOC-DFM (*ABC Services Group, Inc. v. Health Care Service*
6 *Corporation, et al.*)
- 7 **4.** 8:19-cv-00789-DOC-DFM (*ABC Services Group, Inc. v. Blue Cross and Blue*
8 *Shield of Alabama, et al.*)
- 9 **5.** 8:19-cv-00677-DOC-DFM (*ABC Services Group, Inc. v. Anthem Blue Cross*
10 *Life and Health Insurance Company, et al.*)
- 11 **6.** 8:19-cv-00530-DOC-DFM (*ABC Services Group, Inc. v. Blue Shield Life and*
12 *Health Insurance Company, et al.*)
- 13 **7.** 8:20-cv-00175-DOC-DFM (*ABC Services Group, Inc. v. Humana Behavioral*
14 *Health, Inc., et al.*)
- 15 **8.** 8:19-cv-00777-DOC-DFM (*ABC Services Group, Inc. v. Defendants Aetna*
16 *Health and Life Insurance Company, et al.*)
- 17 **9.** 8:19-cv-00804-DOC-DFM (*ABC Services Group, Inc. v. Bluecross Blueshield*
18 *of Tennessee, Inc., et al.*)
- 19 **10.** 8:19-cv-02070-DOC-DFM (*ABC Services Group, Inc. v. Scott and White*
20 *Health Plan., et al.*)
- 21 **11.** 8:19-cv-02125-DOC-DFM (*ABC Services Group, Inc. v. Cigna Healthcare of*
22 *California, Inc., et al.*)
- 23 **12.** 8:19-cv-02136-DOC-DFM (*ABC Services Group, Inc. v. HMC Healthworks,*
24 *Inc., et al.*)
- 25 **13.** 8:19-cv-02138-DOC-DFM (*ABC Services Group, Inc. v. United Medical*
26 *Resources, Inc., et al.*)
- 27 **14.** 8:19-cv-02163-DOC-DFM (*ABC Services Group, Inc. v. Connecticare, Inc., et*
28 *al.*)
- 15.** 8:19-cv-02165-DOC-DFM (*ABC Services Group, Inc. v. PacificSource Health*
Plans, et al.)

- 1 **16.** 8:19-cv-02168-DOC-DFM (*ABC Services Group, Inc. v. Sierra Health and Life*
2 *Insurance Company, Inc., et al.*)
- 3 **17.** 8:19-cv-02122-DOC-DFM (*ABC Services Group, Inc. v. Medical Mutual of*
4 *Ohio, et al.*)
- 5 **18.** 8:19-cv-02242-DOC-DFM (*ABC Services Group, Inc. v. Group Health Plan,*
6 *Inc., et al.*)
- 7 **19.** 8:19-cv-02183-DOC-DFM (*ABC Services Group, Inc. v. Golden Rule*
8 *Insurance Company, et al.*)
- 9 **20.** 8:19-cv-02180-DOC-DFM (*ABC Services Group, Inc. v. Amerihealth*
10 *Insurance Company of New Jersey, et al.*)
- 11 **21.** 8:19-cv-02182-DOC-DFM (*ABC Services Group, Inc. v. Meritain Health, Inc.,*
12 *et al.*)
- 13 **22.** 8:19-cv-02204-DOC-DFM (*ABC Services Group, Inc. v. Beacon Health*
14 *Options, Inc., et al.*)
- 15 **23.** 8:19-cv-02131-DOC-DFM (*ABC Services Group, Inc. v. Coventry Health Care,*
16 *Inc., et al.* [previously 8:19-cv-09432-DOC-DFM])
- 17 **24.** 8:19-cv-02219-DOC-DFM (*ABC Services Group, Inc. v. MHNet Specialty*
18 *Services, LLC., et al.*)
- 19 **25.** 8:19-cv-02172-DOC-DFM (*ABC Services Group, Inc. v. Providence Health*
20 *Plan, et al.*)
- 21 **26.** 8:19-cv-02171-DOC-DFM (*ABC Services Group, Inc. v. First Health Group*
22 *Corporation, et al.*)
- 23 **27.** 8:19-cv-02118-DOC-DFM (*ABC Services Group, Inc. v. Molina Healthcare,*
24 *Inc., et al.*)
- 25 **28.** 8:19-cv-02129-DOC-DFM (*ABC Services Group, Inc. v GHI, Inc., et al.*)¹
26

27 ¹ The Clerk of the Court entered the default against defendant GHI, Inc., the only
28 named defendant in Case No. 8:19-cv-02129 (ECF No. 343). There has been no
judgment entered against this party to date.

FINAL JUDGMENT IN A CIVIL CASE

1 **A.** The parties in these consolidated actions and subject to this Final
2 Judgment in a Civil Case (the “**Judgment**”) include Plaintiff ABC SERVICES
3 GROUP, INC., in its capacity as assignee for the benefit of creditors of Morningside
4 Recovery, LLC (“**Plaintiff**”) on the one hand, and defendants HEALTH NET OF
5 CALIFORNIA, INC.; HEALTH NET LIFE INSURANCE COMPANY; HEALTH
6 NET, INC.; HEALTH NET HEALTH PLAN OF OREGON, INC.; HEALTH NET
7 OF ARIZONA, INC.; UNITED HEALTHCARE SERVICES, INC.; UNITED
8 BEHAVIORAL HEALTH; OPTUM SERVICES, INC; USABLE MUTUAL
9 INSURANCE COMPANY, doing business as ARKANSAS BLUE CROSS AND
10 BLUE SHIELD and BLUE CROSS AND BLUE SHIELD OF ARKANSAS BLUE
11 ADVANTAGE; BLUE CROSS AND BLUE SHIELD OF KANSAS, INC.; BLUE
12 CROSS AND BLUE SHIELD OF KANSAS CITY; BLUE CROSS AND BLUE
13 SHIELD OF MISSISSIPPI; HEALTH CARE SERVICE CORPORATION, doing
14 business as BLUE CROSS AND BLUE SHIELD OF OKLAHOMA; BLUE CROSS
15 AND BLUE SHIELD OF ALABAMA; ANTHEM BLUE CROSS LIFE AND
16 HEALTH INSURANCE COMPANY; ANTHEM, INC., dba ANTHEM HEALTH,
17 INC.; BLUE CROSS OF CALIFORNIA, INC.; THE ANTHEM COMPANIES OF
18 CALIFORNIA, INC.; BLUE SHIELD OF CALIFORNIA LIFE AND HEALTH
19 INSURANCE COMPANY; CALIFORNIA PHYSICIAN’S SERVICE; HUMANA
20 HEALTH PLAN OF CALIFORNIA, INC.; HUMANA BEHAVIORAL HEALTH,
21 INC.; HUMANA, INC.; HUMANA INSURANCE COMPANY; HUMANA
22 HEALTH PLAN, INC.; HUMANA EMPLOYERS HEALTH PLAN OF GEORGIA,
23 INC.; HUMANA HEALTH BENEFIT PLAN OF LOUISIANA, INC.; HUMANA
24 HEALTH PLAN OF TEXAS, INC.; AETNA HEALTH AND LIFE INSURANCE
25 COMPANY; BLUECROSS BLUESHIELD OF TENNESSEE, INC.; SCOTT AND
26 WHITE HEALTH PLAN; SCOTT AND WHITE HEALTHCARE; SCOTT AND
27 WHITE CARE PLANS; COMPSYCH CORPORATION; CIGNA HEALTHCARE
28 OF CALIFORNIA, INC.; CIGNA BEHAVIORAL HEALTH OF CALIFORNIA,

1 INC.; CIGNA HEALTH AND LIFE INSURANCE COMPANY; HMC
 2 HEALTHWORKS, INC.; UNITED MEDICAL RESOURCES, INC.;
 3 CONNECTICARE, INC.; PACIFICSOURCE HEALTH PLANS; SIERRA HEALTH
 4 AND LIFE INSURANCE COMPANY, INC.; EMBLEMHEALTH PLAN, INC.;
 5 MEDICAL MUTUAL OF OHIO; MEDICAL MUTUAL SERVICES, LLC; GROUP
 6 HEALTH PLAN, INC., doing business as HEALTHPARTNERS, INC.; GOLDEN
 7 RULE INSURANCE COMPANY; AMERIHEALTH INSURANCE COMPANY OF
 8 NEW JERSEY, doing business as AMERIHEALTH NEW JERSEY; MERITAIN
 9 HEALTH, INC.; BEACON HEALTH OPTIONS, INC.; BEACON HEALTH
 10 STRATEGIES, LLC; VALUEOPTIONS OF CALIFORNIA, INC.; COVENTRY
 11 HEALTH CARE, INC.; MERITAIN HEALTH, INC.; MHNET SPECIALTY
 12 SERVICES, LLC; SIERRA HEALTH AND LIFE INSURANCE COMPANY, INC.;
 13 PROVIDENCE HEALTH PLAN; PROVIDENCE HEALTH ASSURANCE;
 14 PROVIDENCE HEALTH & SERVICES; FIRST HEALTH GROUP
 15 CORPORATION; MOLINA HEALTHCARE, INC.; and MOLINA HEALTHCARE
 16 OF CALIFORNIA, INC. (collectively “**Consolidated Defendants**” or “**Defendants**”)
 17 on the other.

18 **B.** On November 27, 2019, this Court issued its Minute Order within which
 19 the Hon. David O. Carter ordered Plaintiff to “file with the Court a table listing (i) the
 20 unique causes of action raised across all complaints in these consolidated cases, and
 21 (ii) the Defendants against which each cause of action is asserted.” [ECF No. 125,
 22 page 1.]

23 **C.** On December 9, 2019, Plaintiff filed its Response to November 27, 2019
 24 Minute Order. [ECF No. 150.]

25 **D.** On January 21, 2020, Defendants filed their Motion to Dismiss the
 26 Consolidated Complaints filed by Plaintiff (the “**Consolidated Motion to Dismiss**”).
 27 [ECF No. 223.]

28 **E.** On May 4, 2020, this Court issued its Order Granting Defendants’
 Consolidated Motion to Dismiss, within which the Hon. David O. Carter ruled as

follows:

1
2 **1.** The Court dismissed with prejudice Plaintiff's claims under
3 ERISA.

4 **2.** The Court dismissed with prejudice Plaintiff's state law claims
5 relating to the administration of an ERISA plan;
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7 **3.** The Court dismissed without prejudice Plaintiff's breach of
8 contract claims relating to non-ERISA plans;

9 **4.** The Court dismissed with prejudice Plaintiff's claims for
10 promissory estoppel;
11

12 **5.** The Court dismissed with prejudice Plaintiff's claims for *quantum*
13 *meruit*;

14 **6.** The Court dismissed with prejudice Plaintiff's claims for open
15 book account; and
16

17 **7.** The Court dismissed with prejudice Plaintiff's abandoned claims
18 for breach of the implied covenant of good faith and fair dealing, breach of implied
19 contract, unfair competition and violation of California Health and Safety Code.

20 **8.** Additionally, the Court ruled that Plaintiff had personal
21 jurisdiction over all of the moving defendants in the Consolidated Motion to Dismiss.
22 A true and correct copy of this Court's May 4, 2020 Minute Order is attached hereto
23 and incorporated herein by this reference as Exhibit A. [ECF No. 383]

24 **F.** On May 7, 2020, Plaintiff filed its Consolidated Amended Complaint.
25 [ECF No. 386.]

26 **G.** On May 18, 2020, Plaintiff filed its Motion for Entry of Judgment
27 pursuant to Rule 54(b) as to ERISA claims for relief only. [ECF No. 407.]

28 **H.** On May 28, 2020, Consolidated Defendants filed their Motion to Dismiss
the Consolidated Amended Complaint. [ECF No. 411.]

1 **I.** On July 1, 2020, this Court denied Plaintiff's Motion for Entry of
2 Judgment pursuant to Rule 54(b) as to ERISA claims for relief only, a true and correct
3 copy of which is attached hereto and incorporated herein by this reference as Exhibit
4 B. [ECF No. 434.]

5 **J.** On July 29, 2020, this Court granted Consolidated Defendants Motion to
6 Dismiss the Consolidated Amended Complaint with prejudice, a true and correct copy
7 of which is attached hereto and incorporated herein by this reference as Exhibit C.
8 [ECF No. 443.]

9 **K.** In the Court's July 29, 2020 Order, the Hon. David O. Carter ordered
10 Plaintiff to file a list of the remaining defendants in this case, the case number(s)
11 corresponding to each remaining defendant, and the claim(s) asserted against each
12 remaining defendant. [*Id.* at page 6.]

13 This Court, finding no further claims remain against any of the Consolidated
14 Defendants in the Lead Case or any of the Consolidated Cases, hereby **GRANTS**
15 **FINAL JUDGMENT** in favor of Consolidated Defendants and against Plaintiff
16 based upon this Court's Minute Orders as set forth in ECF Nos. 407 and 434.

17 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
18 Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith
19 and without further notice.

20 **IT IS SO ORDERED.**

21
22 Dated: August 3, 2020

23 
24 HON. DAVID O. CARTER
25 UNITED STATES DISTRICT JUDGE
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